

## **IC 12-20-24**

### **Chapter 24. Township Borrowing for Poor Relief**

#### **IC 12-20-24-1**

##### **Appeal for right to borrow; showing**

Sec. 1. (a) In addition to the other methods of poor relief financing provided by this article, if a township trustee for a township determines that a particular township's poor relief account will be exhausted before the end of a fiscal year, the township trustee shall notify the township board of that determination.

(b) After receiving notice under subsection (a) that a township's poor relief account will be exhausted before the end of a fiscal year, the township board shall appeal for the right to borrow money on a short term basis to fund poor relief services in the township. In the appeal the township board must do the following:

- (1) Show that the amount of money contained in the township poor relief account will not be sufficient to fund services required to be provided within the township by this article.
- (2) Show the amount of money that the board estimates will be needed to fund the deficit.
- (3) Indicate a period, not to exceed five (5) years, during which the township would repay the loan.

*As added by P.L.2-1992, SEC.14. Amended by P.L.145-1993, SEC.8; P.L.101-2000, SEC.8.*

#### **IC 12-20-24-2**

##### **Transmittal of appeal; determination by county commissioners**

Sec. 2. An appeal under IC 12-2-4.5-1 (before its repeal) or section 1 of this chapter shall immediately be transmitted to the board of commissioners. Upon receipt of this request, the board of commissioners shall as soon as possible determine whether or not to loan the requested amount to the township board.

*As added by P.L.2-1992, SEC.14.*

#### **IC 12-20-24-3**

##### **Decision of county commissioners; further determination by county council**

Sec. 3. (a) If the board of commissioners determines to make a loan under section 2 of this chapter, the money shall be transferred from a county fund designated by the commissioners to the township's poor relief account.

(b) If the board of commissioners determines not to make the loan, the commissioners shall submit the request to the county auditor. The county auditor shall call for a special meeting of the county council. At the meeting, the county council shall determine whether or not to allow the township board to borrow money.

*As added by P.L.2-1992, SEC.14.*

#### **IC 12-20-24-4**

##### **Decision of county council; notification of township board; appeal**

**to department**

Sec. 4. (a) If the county council determines under section 3 of this chapter to allow the loan to be made, the county auditor shall borrow the money from a financial institution on behalf of the township board.

(b) If the county council determines that the township board should not be allowed to borrow money under this chapter, the county council shall inform the township board of the council's decision.

(c) If the county council determines that a township board should not be allowed to borrow money under this chapter, the township board may appeal to the department for the right to borrow money to pay for the township's poor relief obligations.

*As added by P.L.2-1992, SEC.14. Amended by P.L.90-2002, SEC.351.*

**IC 12-20-24-5**

**Decision of department**

Sec. 5. (a) If upon appeal under section 4 of this chapter the department determines that a township board should be allowed to borrow money under this chapter, the department shall order the township trustee to borrow the money from a financial institution on behalf of the township board and to deposit the money borrowed in the township's poor relief account.

(b) If upon appeal under section 4 of this chapter the department determines that the township board should not be allowed to borrow money, the board may not do so for that year.

*As added by P.L.2-1992, SEC.14. Amended by P.L.101-2000, SEC.9; P.L.90-2002, SEC.352.*

**IC 12-20-24-6**

**Approval of loan; repayment period**

Sec. 6. If a loan is approved under IC 12-2-4.5 (before its repeal) or this chapter, the board of commissioners, county council, or department shall determine the period during which the township shall repay the loan. However, the period may not exceed five (5) years.

*As added by P.L.2-1992, SEC.14. Amended by P.L.90-2002, SEC.353.*

**IC 12-20-24-7**

**Approval restrictions**

Sec. 7. A board of commissioners, a county council, or the department may not do any of the following:

(1) Approve a request to borrow money made under IC 12-2-4.5 (before its repeal) or this chapter unless the body determines that the township's poor relief account will be exhausted before the account can fund all township obligations incurred under this article.

(2) Recommend or approve a loan that will exceed the

estimated amount of the deficit.  
*As added by P.L.2-1992, SEC.14. Amended by P.L.90-2002, SEC.354.*

#### **IC 12-20-24-8**

##### **Tax levy**

Sec. 8. (a) If a township board:

- (1) appeals before August 1 for permission to borrow money;
- (2) receives permission from the board of commissioners, county council, or department to borrow money before November 1 of that year; and
- (3) borrows money under this chapter;

the township board shall levy a property tax beginning in the next succeeding year and continuing for the term of the loan in an amount each year that will be sufficient to pay the principal and interest due on the loan for the year.

(b) If a township board:

- (1) appeals after August 1 for permission to borrow money;
- (2) receives permission from the board of commissioners, county council, or department to borrow money; and
- (3) borrows money in the year of the appeal under this chapter;

the township board shall levy a property tax beginning in the second succeeding year and continuing for the term of the loan in an amount each year that will be sufficient to pay the principal and interest due on the loan for the year.

(c) The property taxes levied under this section shall be retained by the township trustee and applied by the township trustee to retire the debt.

*As added by P.L.2-1992, SEC.14. Amended by P.L.101-2000, SEC.10; P.L.90-2002, SEC.355.*

#### **IC 12-20-24-9**

##### **Additional appropriation**

Sec. 9. A township board must make an additional appropriation before money borrowed under IC 12-2-4.5 (before its repeal) or this chapter may be spent.

*As added by P.L.2-1992, SEC.14.*